



State of Wisconsin
2021 - 2022 LEGISLATURE

LRB-0617/P2
JK:kjf&amn

DOA:.....Quinn, BB0190 - Expenditure Restraint Budget Test

FOR 2021-2023 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; **relating to:** the budget.

Analysis by the Legislative Reference Bureau

TAXATION

Expenditure restraint program

Under current law, generally, a municipality is eligible to receive an expenditure restraint payment if its property tax levy is greater than five mills and if the annual increase in its municipal budget is less than the sum of factors based on inflation and the increased value of property in the municipality as a result of new construction. Current law excludes certain payments and expenditures from the municipal budget for purposes of determining eligibility for an expenditure restraint payment. For example, principal and interest on long-term debt, recycling fee payments, and unreimbursed expenses related to a declared state of emergency are excluded from the determination.

This bill excludes from the expenditure restraint program payment determination additional revenues resulting from a referendum to increase the municipality's property tax levy limit or the tax rate of the premier resort area tax.

For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 79.05 (2) (c) of the statutes is amended to read:

79.05 (2) (c) Its municipal budget; exclusive of principal and interest on long-term debt and exclusive of revenue sharing payments under s. 66.0305, payments of premiums under s. 66.0137 (5) (c) 1. and 1m., recycling fee payments under s. 289.645, expenditures of grant payments under s. 16.297 (1m), unreimbursed expenses related to an emergency declared under s. 323.10, expenditures from moneys received pursuant to P.L. 111-5, increased revenues resulting from a referendum under s. 66.0602 (4) to exceed the municipality's levy increase limit under s. 66.0602 (2), increased revenues resulting from a referendum under s. 77.994 (3) (b) 2. b. to increase the rate of the tax imposed under s. 77.994 (2), and expenditures made pursuant to a purchasing agreement with a school district whereby the municipality makes purchases on behalf of the school district; for the year of the statement under s. 79.015 increased over its municipal budget as adjusted under sub. (6); exclusive of principal and interest on long-term debt and exclusive of revenue sharing payments under s. 66.0305, payments of premiums under s. 66.0137 (5) (c) 1. and 1m., recycling fee payments under s. 289.645, expenditures of grant payments under s. 16.297 (1m), unreimbursed expenses related to an emergency declared under s. 323.10, expenditures from moneys received pursuant to P.L. 111-5, increased revenues resulting from a referendum under s. 66.0602 (4) to exceed the municipality's levy increase limit under s. 66.0602 (2), increased revenues resulting from a referendum under s. 77.994 (3) (b) 2. b. to increase the rate of the tax imposed under s. 77.994 (2), and expenditures made pursuant to a purchasing agreement with a school district whereby the municipality makes purchases on behalf of the school district; for the year before that year by less than

the sum of the inflation factor and the valuation factor, rounded to the nearest 0.10 percent.

SECTION 9337. Initial applicability; Revenue.

(1) EXPENDITURE RESTRAINT PROGRAM. The treatment of s. 79.05 (2) (c) first applies to the distributions in 2022.

(END)